

**Strategic Initiative
For
Advanced Telecommunications Services**

Final Recommendations

**Governor Thomas Vilsack
Lt. Governor Sally Pederson**

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**Information Technology Services Department
Economic Development Technology Initiative**

Recommendation 1 – Iowa Alliance for Advanced Telecommunications Services

Iowa 2010, The Governor's Strategic Planning Council has recommended that a group of telecommunications service providers, information technology providers, business and consumer representatives, and other interested parties be convened to develop and jointly implement a comprehensive statewide strategic and action plan to give all Iowans access to advanced telecommunications services by 2005 at the least possible cost. The Council's recommendation outlines a framework for a public private partnership for Advanced Telecommunications Services.

Based on the policy review conducted in the Summer of 2000, it is recommended that an Alliance for Advanced Telecommunications Services be created. The principal focus of the Alliance would be to address the following activities:

- Conduct a comprehensive, ongoing assessment of advanced telecommunications services, access, and cost. The assessment would be conducted at the state, community, and consumer levels.
- Review the feasibility for establishing a National Access and Peering Points in Iowa.
- Troubleshoot gaps in service (access, cost, quality, reliability). Based on assessments and benchmarks, the Alliance would be asked to help identify and address potential solutions to deploying ATS.
- Establish benchmarks for ATS deployment based on comparisons with other leading states. The benchmarks should include variable bandwidths, and address the following three key measures: access, cost, quality, and reliability.
- Explore collaborative opportunities for developing and testing new technologies.
- Jointly develop and sponsor marketing, training, and technical assistance activities to promote the use of advanced telecommunications services and to make ATS deployment economically feasible throughout Iowa.

The Alliance can be established under the umbrella of the Economic Development Technology Initiative, and can operated through a structure similar to other economic development consortiums. Under this approach, the Iowa Department of Economic Development (IDED) and the Information Technology Department (ITD) will facilitate the establishment of the Alliance, and provide initial financial support for the consortium.

Recommendation: \$250,000. The Governor has recommended an appropriation of \$250,00 to support the creation and initial operation of the Alliance. Resources may be used to secure technical assistance for assessment activities including surveys, technical assistance for a network access and peering point planning activity, , and creative functions associated with joint marketing, training, and technical assistance activities supported by the Alliance.

Recommendation 2 – Explore Iowa National Access Point and Peering Points

The State of Iowa, in collaboration with the proposed Alliance, should actively explore the creation of a National Access Point (NAP) (and peering points) in Iowa. A National Access Point serves as a junction for telecommunications traffic among multiple service providers.

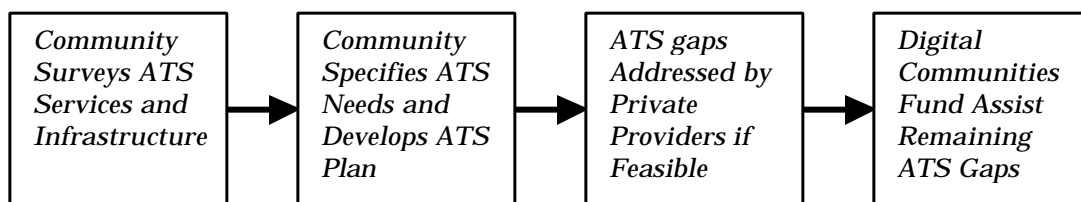
With the assistance of the Alliance, the State of Iowa will explore the interest of telecommunications service providers in establishing a NAP (or equivalent resource), and define how the NAP will be funded, where it will be located (if applicable), how it will be operated, and what incentives can be provided for service providers to utilize the NAP or join other peering points.

Recommendation: \$750,000. Private service providers through the Alliance would be asked to provide the balance of the funds for the NAP, if created.

Recommendation 3 – Digital Communities Fund – ATS Financial Assistance Program

A financial assistance program is recommended to provide assistance to Iowa communities to assure that a complete set of tools are available to bridge the gaps in access to advanced telecommunications services. It is important to couple direct financial assistance strategies with the community planning and technical assistance activities. Both communities and service providers will have greater incentive to pursue the development of community technology plans if there is some opportunity to secure external resources to take action.

Digital Communities Fund Application Process



The community approach strikes the best balance between the need for “competitively neutral” strategies and the need for some direct financial assistance for ATS deployment. The program will be administered by the Iowa Department of Economic Development in collaboration with the Information Technology Department. As described in the Digital State - Policy Options report, it is recommended that participating communities be required to have a comprehensive information technology plan – including plans for ATS

deployment, training for business, government, and citizens in the use of the technology, and integration of ATS into other community development plans. Additionally, it is recommended that communities and participating service providers be required to provide matching funds. Communities would be responsible for allocating resources to upgrade equipment owned and operated by eligible service providers.

The Alliance should act as an advisory body to the state agencies designated to administer the program.

Recommendation: \$500,000. The Governor has recommended an appropriation of \$500,000 to support the creation of the Digital Communities Fund. The fund may be used for technology planning assistance in Iowa communities. The program would provide planning assistance through state level community and economic development organizations, and through external consultants secured to provide direct technical assistance to communities.

These community assessment activities should be pursued in collaboration with the proposed Alliance. Other activities that could be included within this program are:

- Research and Development on Best Practices
- Market Research for ATS in Communities and for Consumers
- Multi-Community/Regional Technology Planning

Recommendation 4 – Digital Government – “100% E by 2003”

Technology investments are needed to support the migration of government processes and transactions to digital systems. The transition to digital systems will affect the handling of thousands of licenses and permits, forms, applications, and financial transactions such as receipts, disbursements, purchases, and benefit distributions. Delivering government services through the Internet will increase demand for advanced telecommunications services. Citizens will receive better service and increased markets will develop to provide the necessary return on investment incentives for private sector deployment of advanced telecommunications services.

Recommendation: \$7,000,000 per year for three years. These costs are associated with the development digital systems for government transactions. The Governor has recommended that funds be allocated from the Pooled Technology Fund for this purpose.

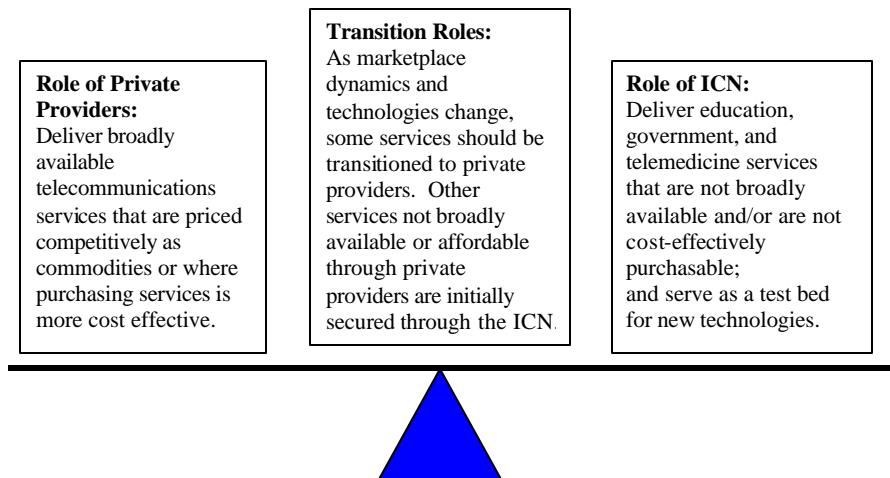
Recommendation 5 – Iowa Communications Network Policy

As the telecommunications environment in Iowa continues to evolve, the State must assess and determine the future role of the Iowa Communications Network in providing voice, video, and data services to authorized users. Delivery of affordable, high-quality advanced telecommunications services to all Iowans requires the State to establish policy and management guidelines for the ICN that promote a balance between the ICN and private service providers.

To achieve this balance, the State must:

- Ensure resources are appropriately allocated to meet the on-going needs of authorized users
- Preclude the expansion of the authorized user base
- Focus on private sector solutions to deliver telecommunications services
- Establish a collaborative partnership to assess technology services and solutions, and
- Encourage fair competition for telecommunications services.

The objective of securing the appropriate balance between the proper roles of private providers and the ICN is represented in the following figure. The transition role is intended to reflect the development of new public purpose telecommunications services and an ongoing assessment of private sector sources for those services.



With these guidelines in place, the State can more effectively undertake actions that will help achieve a healthy equilibrium among service providers and the ICN and ultimately provide all Iowans with affordable, high quality telecommunications services. These actions include:

- Reviewing private ICN management options
- Reviewing existing agreements and arrangements between the ICN and private providers
- Preparing a schedule of services that may be procured through private providers
- Phasing in the purchase of services from the ICN to the private sector
- Determining the feasibility of leasing out ICN facilities and excess capacity
- Facilitating the creation of a consortium for advanced telecommunications services, and
- Continuing to provide quality services to authorized users through the ICN.

Recommendation 6 – 21st Century Learning Infrastructure

Iowa's future workforce will provide Iowa with a competitive advantage if they are able to increase their knowledge and skills through the resources of enriched information systems available through the Internet. Iowa's school children should be among the first to have access to advanced telecommunications services, and Iowa schools should be prepared to utilize these resources to fulfill the promise of higher achievement through individualized instruction, rich curriculum content, and enriched parental participation in instruction.

The State of Iowa is currently engaged in the initiative, 21st Century Learning Infrastructure, to provide learning opportunities beyond the classroom. This comprehensive initiative includes elements for the networking and connectivity that will be required to provide broad-based access to these 21st Century Learning resources. The proposed ATS Alliance would provide a significant support structure to coordinate efforts with the 21st Century Learning initiative.

Recommendation: \$2,000,000. The Governor has recommended an appropriation of \$2,000,000 from the Rebuild Iowa Infrastructure Fund (RIIF) to develop the 21st Century Learning Infrastructure initiative. The 21st Century Learning Infrastructure will utilize a wide range of information technologies to provide learning opportunities within and beyond the bounds of the traditional classroom and supports life-long learning. It will be a combination of a digital library and a virtual open campus for all learners and institutions.

The 21st Century Learning Infrastructure will allow teachers and learners (and ultimately all Iowans) to electronically receive digital educational material and professional development on demand. This will be done through the creation of a prototypical multimedia-based digital library. The project has the following primary elements:

- Acquisition and creation of digital educational materials
- Research, testing, and evaluation of indexing systems for easy acquisition of content over the internet
- Delivery and use of the digital educational materials in the classroom
- Instructional design and developmental support for classroom teachers
- Evaluation of the success of pilot projects